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CableVision

THE NEWS AND FEATURES WEEKLY OF THE CABLE TELEVISION INDUSTRY

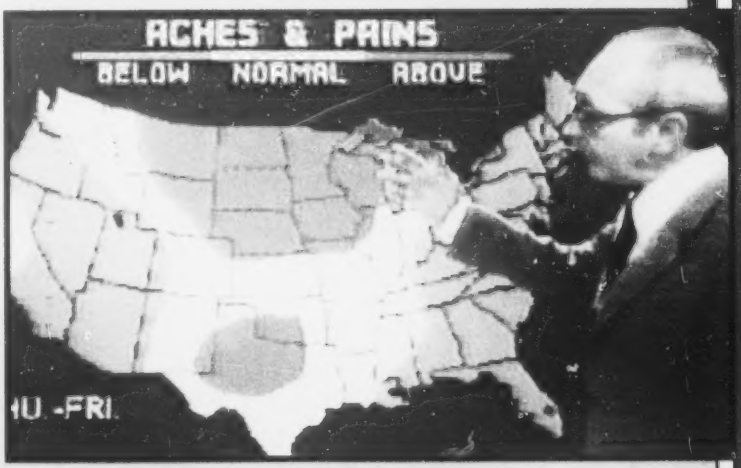
7-11 STORES TO BECOME VCR, TAPE RENTAL CONDUITS

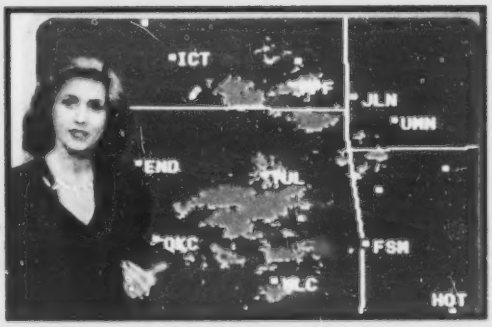
JUSTICE DEPARTMENT OPPOSES NEW MUST-CARRY RULES

CABLEVISION SYSTEMS' STOCK OFFERING SELLS OUT

FINANCIAL ROUNDTABLE: OPERATORS, BROKERS TALK DEALS

THE WEATHER CHANNEL: A SUNNY FORECAST





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LEADING THE WEEK

7-11 to rent VCRs 11
The Southland Corp. has announced plans to begin renting VCRs and video tapes in at least 2,000 7-Eleven stores by the end of the year.

HBO sub counts 11
While 1985 may have been a slow year for pay services, improved programming and costly marketing campaigns have given HBO and Cinemax a boost in penetration at the end of 1985.

Justice on must-carry 12
The U.S. Justice Department has asked the Federal Communications Commission not to adopt new must-carry rules.

NBC News and Turner 14
After falling short of its goal for starting a cable news service, NBC News has resumed talks with Turner Broadcasting System about a possible coventure.

Shuttle coverage 14
Before the nation riveted its attention on the space shuttle accident last week, CNN, The Discovery Channel and several local systems were carrying live feeds of the launch.

Cablevision stock 16
Cablevision System Corp.'s initial public stock offering sold out on the first day, despite a poor advance reception from financial publications.

Scrambling redux 18
U.S. Rep Mac Sweeney, R-Texas, has introduced legislation to protect rural communities from loosing satellite programming as more program services begin scrambling their signals.

Antitrust suit 18
An ad hoc citizens group has filed suit against Manhattan Cable, Time Inc., and Mayor Ed Koch, among others; alleging that the New York City system has discriminated against pay services not owned by Time Inc.

Showtime/TMC scrambles 20
Showtime and The Movie Channel began scrambling tests last week on its East Coast feeds. West coast test-scrambling is set to begin next week.

Montgomery County 21
The 4th U.S. Circuit Court of Appeals has ruled that Tribune-United Cable Co. should not be financially penalized for franchise violations as long as Montgomery County, Md., continues negotiations with the franchisee.

CTAM contest 23
The Cable Television Administration and Marketing Society will sponsor an open competition for case studies of marketing and operations in conjunction with CTAM's annual conference June 22-25 in Boston.

TCI restructuring 23
Tele-Communications Inc. has formed a western states division, making this unit the first of what will be three to six such divisions nationwide.

TOPICS

Programming 28
Programs and promotions from 27 MSOs and independent operators are vying for the second annual System Awards for Cablecasting Excellence. The 106 nominees in 20 categories are listed.

On Demand 36
Event TeleVision has delayed the launch of its PPV venture while negotiations continue with film studios seeking to lock the program service into long-term contracts.

Financial Roundtable 38
In these boom times of buying and selling cable properties, this year's financial roundtable brings together five of the people most intensively involved in negotiating deals—the brokers and cable operators. They openly discuss wheeling and dealing in this first of a two-part series.

Departments

People 56
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Parting Words 66

Cover story 24
The Weather Channel has endured the doubts of industry watchers to become a viable programming service. Now that the black ink is starting to flow, TWC officials are exploring several ancillary services.

Cable services subscriber count

Satellite-fed national services

Basic services	Affiliates	Subscribers
ACTS Satellite Network	250	3,687,000
Arts & Entertainment (A&E)	2,100	17,300,000
Black Entertainment Television (BET)	512	12,000,000
Cable News Network (CNN)	3,049	13,307,000
CNN Headline News	2,931	12,380,000
C-SPAN	2,000	27,000,000
CBN Cable Network	3,551	29,715,000
Country Music Television	500	5,300,000
The Discovery Channel	400	8,000,000
ESPN	11,454	30,000,000
Eternal Word Television Network (EWTN)	275	3,000,000
Family Guide II Network	0	90,000
Financial News Network (FNN)	1,250	20,000,000
Home Shopping Network	724	6,200,000
The Learning Channel	700	6,000,000
Lifetime	2,000	23,000,000
Modern Satellite Network (MSN)	50	10,000,000
Music Television (MTV)	2,345	27,900,000
The Nashville Network	1,500	23,800,000
National Christian Network (NCN)	50	1,200,000
National Jewish Television (NJTV)	247	3,000,000
Nickelodeon	3,200	26,200,000
Odyssey	NA	NA
PTL The Inspirational Network	1,200	12,500,000
Satellite Program Network (SPN)	600	11,000,000
Silent Network	30	8,000,000
SIN Television Network	364	12,274,200
Trinity Broadcasting Network	400	2,500,000
USA Network	2,330	30,600,000
Video Hits One	218	9,000,000
The Weather Channel	1,500	19,700,000
WGN-TV	1,000	16,900,000
WOR-TV	1,013	5,400,000
WPIX-TV	152	2,045,000
WTBS-TV	11,000	31,219,000

Pay services

American Exxtasy	36	160,000
American Movie Classics	140	2,500,000
Bravo	240	150,000
Cinemax	2,200	7,000,000
The Disney Channel	2,500	2,425,000
GalaVision	250	1,600,000
Home Box Office (HBO)	9,000	14,000,000
Home Theater Network (HTN)	800	500,000
Showtime	5,200	6,000,000
The Movie Channel	2,200	1,200,000
The Nostalgia Channel	75	70,000
The Playboy Channel	350	732,000
Private Ticket	1	NA

Audio services

Cable Radio Network	14	1,700,000
KKGO Super Jazz	NA	NA
Lifestyle	100	2,000,000
Lifestyle AC	16	400,000
Moody Bible Institute	27	750,000
Satellite Radio Network	30	800,000
Star Shop Stereo Inc.	70	1,250,000
Studio 56	NA	NA
WFMT Chicago	75	1,100,000

Text services

AP News Cable	825	1,000,000
AP News Plus	90	100,000
Cable Sportstracker	8	125,000
Dow Jones Cable News	500	2,000,000
Electronic Program Guide (EPG)	240	5,200,000
EPG Jr.	12	67,200
FAX	1	1,000,000
Genesis Cable Storytime	21	600,000
Reuters News View	325	1,250,000
TV Decisions	106	2,826,491
UPI Data Cable	450	1,000,000
X Press	NA	NA

Non-satellite-fed national services

Bicycled services	Affiliates	Subscribers
Fuji Network	5	11,044
Nippon Golden Network	5	11,044
Vector Consumer News	12	325,000
Vector Consumer Shopping Guide	15	407,000

Regional entertainment services

Basic services	Affiliates	Subscribers
Atlanta Interfaith	7	150,000
Bay Area Religious Channel (BARC)	4	93,000
Buffalo Sabres Hockey	8	450,000
Cable TV Network of New Jersey	36	1,045,000
The Ecumenical Channel	6	148,000
KTVT	74	1,594,000
Life Newsvision	24	36,000
Madison Square Garden	37	1,809,000
Meadows Racing Network	14	446,000
MetroChannel	2	135,000
Newsday Cable	1	240,019
Prime Ticket	NA	825,000
Texas Cable Network	15	800,000

Pay services

Budgetvision	39	NA
Home Sports Entertainment Houston/Dallas	86	125,800
Home Team Sport	65	189,000
New England Sports Network	107	84,923
PRISM Philadelphia	86	380,000
Pro Am Sports	94	165,000
SportsChannel (New England)	69	95,000
SportsChannel (New York)	53	433,000
SportsVision (Chicago)	29	164,000
Z Channel	21	95,000

Announced services

Regional services	Expected Launch
Prime Ticket Network	1985

Satellite-fed services

ABC Pay-Per-View service	1st Quarter 1986
Apollo Entertainment Television	TBA
The Book Channel	2nd Quarter 1986
The BuenaVision Channel	TBA
Cablerx	TBA
Comedy Television	2nd Quarter 1986
Data Broadcasting Corp.	1st Quarter 1986
Discovery Computer Network	1987
Discovery Financial Network	4th Quarter 1986
Discovery Music Network	4th Quarter 1986
El Canal Musical	2nd Quarter 1986
Ethnic Radio Networks	TBA
Event Television	4/86
Innovations In Living	4/86
International Business Network	4th Quarter 1986
Magacable	TBA
Movie Time	1/86
The Peoples Choice	1/86
Sofcast National Digital Network	1st Quarter 1986
Telstar Pay-Per-View Service	4/86

Note: Figures for affiliate and subscriber counts will be updated quarterly unless information is provided by the service. Send information to: CableVision, Attention Cable Stats, P.O. Box 5208 T.A., Denver, CO 80217.
NA denotes not available.
TBA denotes to be announced.

Total SIN reach: Spanish-speaking households 4,114,400.
Source: Subscriber and affiliate counts are provided by the program service for International Thomson Communications Inc.

National cable advertising

This chart lists national advertisers on the basic cable networks. Some listings are partial.

Arts & Entertainment †
Alaska Tourism
Allstate Insurance
American Express
Armour-Dial
AT&T (various divisions)
Buick
Celestial Seasonings
Ford Motor Co.
General Motors
Hitachi
International Harvester
Italcable
Qantas Airlines
Ralston-Purina
Royal Viking Cruise Lines
Sperry
Wells Fargo

BET
Anheuser-Busch (R)
Campbell's Soup (R)
Carson Products (R)
Coca-Cola (R)
Columbia Pictures (N)
Frito-Lay (N)
Hershey (R)
McDonald's (R)
Mars Inc. (N)
Mobil Oil (R)
Nike (R)
Pepsi Cola (R)
Pro-line (R)
Proctor & Gamble (R)
Quaker (R)
Sears Roebuck & Co. (R)
Thompson Medical (R)
U.S. Marine Corps (R)
Venus De Milo (R)
Warner Bros. (R)
Warner Lambert (R)
Wendy's International Inc. (R)

C-SPAN•
Centel (R)
DuPont (R)
Gannett (R)
General Instrument (R)
Times Fiber (R)
Times Mirror (R)

The Discovery Channel †
American Home Products
Architectural Digest
Barron's Weekly
Business Week
Charles Schwab
Consumer Reports
Dreyfus Fund
Esquire Magazine
Jack Anderson's Newsletter
Kent Collectibles
Life Magazine
Prudential Insurance
Pshchology Today
Save The Children's Fund
Science 85
Smithsonian Magazine
Sports Illustrated
The New Yorker
Time Magazine
Transamerica Occidental
USA Today
Wall Street Journal
Working Women Magazine

FNN
Allstate (N)
American Cyanamid (N)
AT&T (R)
Best Western (N)
Bureau of Business Practices (N)
Car-Quest (N)
Charles Schwab (R)
Chicago Board of Trade (N)
Chicago Mercantile Exchange (N)
Chrysler (R)
Clayton Brown (N)
Commodore Computers (N)
CSX Corp. (N)
Dow Jones (R)
Dreyfus (N)
Ford Corp. (R)
GMAC (R)
GM Corp. (R)
Golden Nugget (N)
The Hartford Insurance (N)
Harris Corp. (N)
Hayes Corp. (R)
Hong Kong Tourist Bureau (R)
International Trading Group (N)
InterNorth (R)
Intex (N)
ITT (R)
Kansas City Board of Trade (R)
Merrill Lynch (R)
Navistar (N)
Norelco (N)
Nynex (R)
Paramount Home Video (N)
Precision Tune (N)
Reichold Chemical (N)
Rockwell (N)
United Airlines (R)
USA Today (N)
U.S. Postal Service (N)
Wall Street Journal (R)
Western Futures (N)
Xerox (R)
Zion Banking (R)
Zweig Forecast (R)

The Learning Channel
Barron's (R)
Charles Schwab (R)
Investor's Daily (R)
Smithsonian Magazine (R)
Standard & Poor's (R)
Time + Life Books (R)
Working Woman Magazine (R)

The Silent Network †
Campbell's Soup
Hallmark Cards
Kal Kan
Mattel Toys
Solarts
Ultratec

SPN †
AT&T
Bayer
Beechnut
Budweiser
Casio
Continental Airlines
Evenflo
Fisher-Price
Gerber
Heinz
Hilton Hotels
Huggies
Ivory Snow
Johnson & Johnson
Kodak
Maytag
Norelco
Playboy Magazine
Playtex
Redman Chewing Tobacco
Rubbermaid
Sears
Time + Life
Tropicana
United Airlines
Valvoline
Vaseline
Windjammer
Yamaha

The Weather Channel
American Hawaii Cruises (N)
American Home Products (R)
AH Robbins (R)
Carnation (R)
Champion/Anco (N)
Columbian Coffee (N)
Italcable (R)
Kimberly-Clark (R)
Kraft (R)
La Quinta (R)
Michelin (R)
Nabisco
Pearle Vision Centers (N)
Proctor & Gamble (R)
Puerto Rican Tourism (R)
Quaker Oats (R)
Ralston-Purina (R)
S.C. Johnson (R)
Security Chains (R)
Sterling Drugs (R)
United Airlines (R)

R denotes renewal client.
N denotes new client.
– denotes information not available.

*Listing is comprised of both advertisers and program underwriters.
†New and renewal information not available.
Source: Advertising clients are provided by the programs' services to International Thomson Communications Inc.